



[SEQ CHAPTER \h \r]
No.: EP-W-13-015 TO

Environmental Protection Agency

Contract

Office of Emergency and Remedial Response
TECHNICAL DIRECTIVE DOCUMENT

Contractor: SKEO Solutions, Inc.

*In accepting this technical direction, the contractor agrees that
the cost and all other terms and conditions of the contract remain
unchanged.*

Technical Directive: _____

Task Order Project Officer: Sheila Lewis **Phone:** 202-564-0152

Task Order Technical Point of Contact: Wenona Wilson **Phone:** 206-553-2148

Region 10 is requesting technical assistance for the Confederated Tribes of Warm Springs (Tribe), who are located in Oregon. The goal of the support is to work with the Tribe to complete a structured rate system that will accurately reflect the costs of provision of drinking water through the community water system in the annual operating budget and accounting system. The annual operating budget should relay income, operation and maintenance costs, and short-lived asset reserves related to the drinking water utility. This information will illustrate the tribe's understanding of the revenue and expenditures that allow a system to be operated and maintained over the long term. The accounting system should record, track and report public water system revenue and expenses separate from other public activities, which will demonstrate managerial and financial capacity.

Once this information is built into the accounting, the tribe becomes eligible to compete for additional federal funding. The costs need to be accurately reflected in the tribes accounting system, down to the average residential cost. The accounting must also clearly reflect the funding source used to pay for the costs.

Once this information is built into the budget and accounting system, the tribe will become eligible to compete for additional federal funding.

If contract support resources remain after completion of the rate structure work/budget and accounting work, the information obtained about costs and payment of water provision will be shared with the tribal council and community, through publication and/or community meetings.

ISSUE/BACKGROUND: The Confederated Tribes of Warm Springs of Oregon (Tribe) continues to confront a complex and persistent set of challenges associated with their community water system. The Tribe has limited financial, managerial and technical capacity to address these challenges. Additionally, the Tribe has a need for significant infrastructure improvements to address deficiencies in the existing infrastructure.

Access to clean, safe, drinking water is the top priority. The community water system serves an estimated 3,800 people. Most of the system's infrastructure was built around 1980. The aging components and inherent limitations of the original design create ongoing challenges even when the plant is operated well.

On May 23, 2019, EPA issued an Emergency Administrative Order (Section 1431) to the Tribe due to a range of issues at the community water system. The Tribe declared a state-of-emergency immediately following EPA's issuance of the Emergency Order. Over the summer of 2019, the Tribe made repairs to their water distribution system. On August 14, 2019, the Tribe lifted a boil-water notice that had been in-place (continuously) since May 2019. While the Tribe has put forth a significant effort, they have a long way to go to develop and implement an integrated action plan that addresses all the challenges.

Unfortunately, without a structured rate system reflected in the Tribe's accounting, the Tribe will not be able to access the largest sources of federal infrastructure funding (e.g. USDA-RD funding). Without access to large funding programs, the tribe will not have the resources to meet current or future infrastructure needs.

Clarification or Comments: Contractor/subcontractor must have cross-cultural communication skills, education, experience, to develop effective communications and training materials for tribes and the ability to work effectively with traditional Native American groups, including Tribal Government.

Deliverables:

1) Completion of a report that contains:

- Calculation of the per capita cost of water provision to residences served by the water system.
- Calculation of the cost of water provision to community, institutional, and commercial facilities, calculated by class of facility. Average cost of water provision to residences served by the system is determined and summarized in short report.
- Recommendations for how the Tribe should reflect actual costs in accounting and budgeting systems.
- Recommendation for how the Tribe should reflect payment for costs in accounting and budgeting systems.

2) On-site visit to assist Tribe in building the line items into the accounting and budgeting systems. If possible, on-site visit may include meeting with tribal leadership to provide an update on the project. ~~This cost is built into Tribe's accounting~~

3) Recommendations for how the Tribe should account for and accrue revenue, in lieu of actually charging individual households and businesses, in their accounting and budgeting systems. Payment for such costs is

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[SEQ CHAPTER \h \r 1]

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reflected in accounting

- 3) ~~If resources permit, information obtained about costs of water provision will be shared with the community through publication and/or community meetings. Develop informational and educational resources including:~~

~~(a) Information explaining the true cost of the service to deliver water to the house, illustrating that the cost of the service is not inclusive of the cost of water, but rather includes the cost of electricity, treatment chemicals, parts and equipment, and staffing costs.~~

~~(b)~~

~~(b) Information illustrating the amount of water used by an average home and how that compares to other similarly-sized communities.~~

~~(c) Information illustrating how water conservation can positively impact the Tribe's budget.~~

- 4) ~~If contracting resources allow:~~

~~o Facilitate meeting/workshop for Tribal Council to walk through the deliverables completed above. Date: Spring 2020~~

~~o Facilitate a public meeting/workshop for the community to walk through the deliverables completed above. The sessions need to be interactive and engage the participants. Contractor will publicize the sessions in advance, reserve meeting spaces, and address other logistical issues. Date: Spring 2020.~~

~~4)~~

~~Products for community outreach could include: understand how much water is currently being used by the community and how it compares to other similar-sized communities; understand current and future system operational costs~~

Products will be developed in advance to allow review from both Region 10 and the Tribe.

Timeframe: Start Date: ASAP-as soon as facilitator/contractor are available. Goal is for public sessions to take place in 2nd Quarter of FY20.

End Date: June 2020

I certify that this Technical Directive Document does not request services that are inherently governmental functions and that it does not alter the (1) Statement of Work; (2) Level-of-Effort; or (3) Cost of performing the authorized work for the above-referenced Work Assignment.

TOM Signature: _____ Date: _____

Original to Contractor - Contractor Receipt: _____ Date: _____

cc: Project Officer (5204P)

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